

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Midas Printing Group Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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勤達印刷集團有限公司*
Midas Printing Group Limited
(Incorporated in the Cayman Islands with limited liability)

PROPOSALS INVOLVING

GENERAL MANDATES TO REPURCHASE

SHARES AND TO ISSUE SHARES

AND CHANGE OF COMPANY'S NAME

A notice convening the annual general meeting of Midas Printing Group Limited (the "Company") to be held at 20th Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong on Tuesday, 28th May, 2002 at 10:00 a.m. is set out on pages 5 to 7 of the annual report of the Company for the year ended 31st December, 2001 despatched together with this circular. Whether or not you intend to attend the said meeting, you are requested to complete the proxy form enclosed in the said annual report in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company at 1st Floor, 100 Texaco Road, Tsuen Wan, New Territories, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the said meeting.

* For identification purpose only

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held on Tuesday, 28th May, 2002 at 10:00 a.m., notice of which is set out on pages 5 to 7 of the annual report of the Company for the year ended 31st December, 2001 despatched together with this circular
“Company”	Midas Printing Group Limited, a company incorporated in the Cayman Islands, the Shares of which are listed on the Stock Exchange
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	17th April, 2002, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to approve the Repurchase Resolution to give a general mandate to the Directors to exercise all the powers of the Company to repurchase during the relevant period Shares up to a maximum of 10% of the issued share capital of the Company at the date of the Repurchase Resolution
“Repurchase Resolution”	the ordinary resolution granting to the Directors a general mandate to exercise all the powers of the Company to repurchase during the relevant period Shares up to a maximum of 10% of the issued and fully-paid up share capital of the Company at the date of the Repurchase Resolution to be proposed at the Annual General Meeting as referred to in resolution No. 5A of the notice of the Annual General Meeting
“Share(s)”	share(s) of \$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers
“\$” and “cents”	Hong Kong dollars and cents respectively



勤達印刷集團有限公司^{*}
Midas Printing Group Limited

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

Mr. CHAN Sheung Chiu (*Chairman*)
Mr. KWONG Tin Lap (*Managing Director*)
Mr. KWOK Chi Fai
Ms. LI Mee Sum, Ann
Mr. TANG Chow Ming, Paul

*Head office and principal
place of business:*

1st Floor, 100 Texaco Road
Tsuen Wan
New Territories
Hong Kong

Non-Executive Director:

Mr. LEE Sai Wai

Independent Non-Executive Directors:

Mr. Dominic LAI
Mr. TANG Wei, Donald
Mr. SHEK Lai Him, Abraham

24th April, 2002

To shareholders,

Dear Sir or Madam,

INTRODUCTION

It is proposed that at the Annual General Meeting of the Company to be held on 28th May, 2002, *inter alia*, resolutions will be proposed (i) to grant to the Directors a general mandate to repurchase Shares (ii) to grant to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company and (iii) to change the existing name of the Company to Midas International Holdings Limited and use a new Chinese name 勤達集團國際有限公司 for identification purpose.

GENERAL MANDATE TO REPURCHASE SHARES

It will be proposed at the Annual General Meeting the Repurchase Resolution and the Directors propose to seek your approval thereof.

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions, which have been set out in resolutions No. 5B and 5C of the notice of the Annual General Meeting, respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of the resolution and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase shares under the Repurchase Resolution.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 389,290,068 Shares.

^{*} For identification purpose only

Subject to the passing of the Repurchase Resolution and the relevant resolutions on granting the general mandate to the Directors to issue new Shares and on the basis that no further Shares shall be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under these resolutions to repurchase a maximum of 38,929,006 Shares and to issue a maximum of 77,858,013 Shares.

REASONS FOR REPURCHASES

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its shareholders. Repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Articles of Association and the laws of the Cayman Islands which provides that the amount of capital repaid in connection with Share repurchases may only be paid out of either the capital paid up on the relevant Shares, or the profits that would otherwise be available for dividend, or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the profit that would otherwise be available for dividend or out of the share premium or contributed surplus accounts of the Company.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the shareholders of the Company.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the shareholders of the Company.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Resolution in accordance with the Listing Rules, all applicable laws of the Cayman Islands and the regulations set out in the Memorandum of Association and Articles of Association of the Company.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the positions disclosed in the Company's annual report for the year ended 31st December, 2001 in the event that the Repurchase Proposal were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the Company's gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

TAKEOVER CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Resolution, a shareholder's proportionate interest in the voting rights of the Company increases, such increase

will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code. As a result, a shareholder, or group of shareholders of the Company acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Gold Throne Finance Limited, who held approximately 21.6% of the issued share capital of the Company, was the only substantial shareholder holding more than 10% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Resolution, the shareholding of Gold Throne Finance Limited in the Company would increase to approximately 24.0% of the issued share capital of the Company. Such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code.

SHARES REPURCHASE MADE BY THE COMPANY

There was no repurchase by the Company, or any its subsidiaries, of any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each month from April 2001 to March 2002 were as follows:

Month	Per Share Highest Traded Price (HK\$)	Per Share Lowest Traded Price (HK\$)
2001		
April	0.245	0.182
May	0.285	0.211
June	0.285	0.245
July	0.260	0.228
August	0.240	0.210
September	0.213	0.200
October	0.200	0.188
November	0.212	0.175
December	0.195	0.182
2002		
January	0.205	0.180
February	0.209	0.172
March	0.204	0.180

CHANGE OF NAME

Apart from printing businesses, the Group has acquired investment properties for investment purpose. To better reflect the business nature of the Group, the Directors propose to change the name of the Company to “Midas International Holdings Limited”. A new Chinese name [勤達集團國際有限公司] for identification purpose will also be proposed for use and it will not form part of the official name of the Company. The effective date of the change of name will be the date of passing the special resolution by shareholders of the Company. Application has been made by the Company to the Registrar of Companies of the Cayman Islands for approving the new English name.

The proposal to change the name of the Company is conditional upon:

- (i) the Registrar of Companies in the Cayman Islands approving the new English name; and
- (ii) the passing of special resolution by the shareholders of the Company at the Annual General Meeting.

TRADING AND DEALING ARRANGEMENTS

The Shares are listed on the Stock Exchange. The change of name of the Company will not affect the rights of the shareholders of the Company. All existing Share certificates in issue bearing the existing name of the Company will, after the change of name, continue to be evidence of title to the Shares under the new name of the Company and will be valid for trading, settlement and delivery for the same number of Shares in the new name of the Company. The size of the board lot for trading in the Shares will remain unchanged after the change of name of the Company. Once the change of name becomes effective, any issue of Share certificates will be issued in the new name of the Company. The new Share certificates will be blue in color to distinguish from the existing Share certificate's colour which is in orange.

Free exchange of new Share certificate may be made at the Company's share registrars in Hong Kong, Central Registration Hong Kong Limited at Shops 1712-1716 Hopewell Centre, 183 Queen's Road East, Hong Kong from 10th June, 2002 to 9th July, 2002 (both days inclusive) during its office hours. Thereafter, a charge of HK\$2.5 times the higher of the number of new Share certificates issued or the number of existing Share certificates cancelled will be made.

The Company will make a further announcement on the effective date of the change of name.

RECOMMENDATION

The Directors believe that the Repurchase Proposal, the general mandate to be granted to the Directors to issue new Shares and the proposed change of name are all in the best interests of the Company and its shareholders. Accordingly, the Directors recommend that all shareholders should vote in favour of the resolutions No. 5A, 5B, 5C & 6 set out in the notice of the Annual General Meeting as they intend to do themselves in respect of their own holdings.

ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed in the annual report of the Company for the year ended 31st December, 2001 despatched together with this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the said proxy form and return it to the head office and principal place of business of the Company at 1st Floor, 100 Texaco Road, Tsuen Wan, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the proxy form will not prevent you from attending and voting at the Annual General Meeting if you so wish.

Yours faithfully,
For and on behalf of
Midas Printing Group Limited
CHAN Sheung Chiu
Chairman